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EXAMINER	
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

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BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 09/772,244
Filing Date: January 29, 2001
Appellant(s): BARIK ET AL.

Donald J. Lecher
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 4/6/2010 appealing from the Office action mailed 1/14/2010.

(1) Real Party in Interest

The examiner has no comment on the statement, or lack of statement, identifying by name the real party in interest in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The following is a list of claims that are rejected and pending in the application:

1, 2, 4, 5, 7, 15, 16, 18, 19, 22-27, 30, 31, 33-35, 49-54, 57, 59-62, 64, 66, 67, 69, 70.

(4) Status of Amendments After Final

The examiner has no comment on the appellant's statement of the status of amendments after final rejection contained in the brief.

(5) Summary of Claimed Subject Matter

The examiner has no comment on the summary of claimed subject matter contained in the brief.

(6) Grounds of Rejection to be Reviewed on Appeal

The examiner has no comment on the appellant's statement of the grounds of rejection to be reviewed on appeal. Every ground of rejection set forth in the Office action from which the appeal is taken (as modified by any advisory actions) is being maintained by the examiner except for the grounds of rejection (if any) listed under the subheading "WITHDRAWN REJECTIONS." New grounds of rejection (if any) are provided under the subheading "NEW GROUNDS OF REJECTION."

(7) Claims Appendix

The examiner has no comment on the copy of the appealed claims contained in the Appendix to the appellant's brief.

(8) Evidence Relied Upon

2002/0107738	BEACH et al	8-2002
2005/0230473	FAJKOWSKI	10-2005
4,446,528	MARMON	5-1984
2002/0013728	WILKMAN	1-2002

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claims 1-2, 4-5, 7, 15-16, 18-19, 22-27, 30-31, 33, 35, 49-54, 57, 59, 61, 62, 66, 67, 69, 70 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski (US6932270).

Regarding claims 1-2, 15-16, 27, 30, 54, 57, Fajkowski teaches systems and methods for storing electronic coupons, associating them with customers, presenting them at a retail POS and redeeming them. A user is provided with a card which provides a userID [4:6-81]. The card is used to associate selected coupons from a plurality of available coupons from different sources (by scanning paper coupons, by selecting coupons at a kiosk or by downloading coupons from the Internet) with the user's account in a database [3:63-65, 6:l-5,6:22-251. When the card is presented at the POS along with scanned products to be purchased (i.e. before the purchase is completed by way of accepting payment - and therefore, “before purchase”), the POS system determines what coupons of the user's collection of selected coupons are redeemable given the user's scanned products; the system displays these coupons on the display [16:18-31, 17:31-33,4:25-35]. Fajkowski teaches that the coupon eligibility parameters (product name, required size, quantity or combination of items required, expiration) may be stored on the card in order to determine applicable coupons at the POS against the parameter requirements [10:17-26]. Applicant admits that mutual exclusivity is a restrictive, eligibility coupon parameter often used [spec page 1 lines 21-22] and that certain coupons also may provide

benefits of monetary discount, loyalty points and freebies [spec pg 2 lines 14-19]. It would have been obvious for one of ordinary skill in the art at the time of the invention to have stored and analyzed other well known coupon restriction rules such as whether other coupons can be used in combination with a coupon. Doing so would enable the system to process and accurately display a wide variety of eligible coupons, including those with exclusivity rules and those without. Examiner will now address the limitations associated with checking if eligible coupons also meet optimization parameters. Applicant has admitted that customers frequently have a collection of eligible coupons from which to choose, leaving the consumer with the task of determining which subset of eligible coupons will provide optimum benefit (i.e. optimum price reduction, optimum loyalty points, optimum freebies). It has been done manually, but it is admittedly difficult in certain situations [spec pg 2 lines 11 - 19]. Historically, checkout clerks inherently were required to possess the ability to determine coupon eligibility, else fraudulent coupon redemption would be possible. One of ordinary skill would consider it to be a matter of good customer service for a checkout clerk to assist a customer regarding which coupons could be used (i.e. eligibility) as well which subset of coupons would most benefit the customer for example helping a customer who asks "which coupon(s) would' save the most money?" and/or “which of these coupons should I use quickly before they expire” There should be no doubt that consumers frequently use coupons in order to get the best savings. It would have been obvious to one of ordinary skill at the time of the invention to have provided assistance to customers faced with navigating the

recognized (albeit in some cases difficult or confusing) coupon rules and options imposed by the retailer. Fajkowski's system accomplishes the automated eligibility determination in the manner of an Expert System (a computer system programmed to replace a human clerk having the knowledge to determine eligibility for the universe of participating coupons and their restrictions/parameters). Fajkowski's system is also quite intelligent in that it can recommend an additional purchase when a consumer possesses a valuable coupon, but has not fully met the purchasing qualifications (perhaps the user chose the wrong size product) [19:38-43]. This is another example of an Expert System capability. Fajkowski's system has been argued to lack presentation to the consumer of a subset of all eligible coupons according to price optimization, yet it would have been obvious to one of ordinary skill at the time of the invention to have provided this desired but heretofore manual capability in an automated manner. See Automating a manual activity -MPEP 2144.04(111). In re Venner, 262 F.2d 91, 95, 120 USPQ 193, 194 (CCPA 1958). In the same manner as outlined in rationale F of KSR, it would have been obvious to one of ordinary skill at the time of the invention to have updated the known invention of Fajkowski with modern automated improvements in order to gain the commonly understood benefits of such adaptation. All this would be accomplished with no unpredictable results.

As stated in ***Leapfrog,*** "applying modern electronics to older mechanical devices has been commonplace in recent years." **Leapfrog Enterprises, Inc. v. Fisher-Price, 485 F.3d 1157, 82 USPQ2d 1687 (Fed. Cir. 2007).**

Regarding the saved coupons, the choosing among them and recommending based on the saved coupons, Fajkowski teaches that the user may save shopping lists with specified coupons for the products on the list to be used on future shopping trips [13:14-41]. Fajkowski also teaches the idea of issuing a rain check for a coupon item the user wishes to purchase, but where the item is currently unavailable. The system will save such a list of rain-checked product(s) for later use. In either case, future use of the saved lists are taken to meet the broad "comparing" by a user. Further, the art describes the capability to save any number of coupons which enables saving combinations of coupons. It would have been obvious to one of ordinary skill at the time of the invention to have recalled saved coupons or a combination of saved coupons for later consideration (i.e. for future comparison). It would have been obvious to one of ordinary skill at the time of the invention for the system's coupon(s) recommendations to have included coupons that had been "saved". Further still, Fajkowski's also teaches that the system can recommend an additional purchase when a consumer possesses a valuable coupon, but has not fully met the purchasing qualifications (perhaps the user chose the wrong size product) [19:38-43]. It would have been obvious to one of ordinary skill at the time of the invention to have recommended the use of saved coupon where the user is close to an optimized coupon eligibility, but needs to make slight changes to his products for purchase. It would have been obvious to one of ordinary skill at the time of the invention to have recommended this additional coupon even if this is a coupon that had been previously saved.

Regarding claims 4, 18, Fajkowski teaches that coupons could be displayed which are not fully eligible along with the reasoning for their near-eligible status, such as the product is the wrong size [I9:38-431. It would have been obvious for one of ordinary skill in the art at the time of the invention to have displayed a similar message when a user has not presented the proper quantity or combination of products [these parameters are disclosed at 10:22-231 when possessing a coupon with such size or quantity restrictions. Both of these examples are taken to provide a teaching of recommending the missing product to the customer for more discounts.

Regarding claims 5, 19, 35, 61, 66, Fajkowski teaches that the coupons may at least be stored at a third party site (Internet) or kiosk (retailer site). The system is taken to reside at the retailer site.

Regarding claim 7, the network is described as the Internet.

Regarding claims 22, 23, 49, 50, 62, Fajkowski's determination of coupons specific to products presented is taken to provide a step of computing a set of coupons dependant upon a user's set of coupons as well as upon the order information. The step of determining if the computed coupon set complies with redeeming conditions is met by inspecting the other various criteria such as expiration, etc.

Regarding claim 24, 51, if in Fajkowski a customer provides a coupon that does not comply with redemption criteria, the customer is free to return another time with a another set of coupons.

Regarding claims 25, 26, 52, 53, Fajkowski teaches that while compliant coupons are shown at the POS, the customer may wish to investigate why some coupons were non-complaint [I9:21-251. The POS may be used to display all coupons that were non-compliant [19:44-531; it would have been obvious for one of ordinary skill in the art at the time of the invention to have displayed non-compliant coupons for any non-compliant criteria including the suggested mutually exclusive criteria above.

Regarding claim 31, Fajkowski teaches that a user may be provided with reports of coupon usage and savings [I 3:5-7, 17:48-631. User acceptance for redemption of the displayed eligible coupons provides a viewing of reports of coupon usage.

Regarding claim 33, 59, the system is taken to inherently use an AND condition for a coupon having plural redemption conditions (expiration date and product size, for example).

Regarding claims 67, 69, 70, when the proposed-as-obvious system/method considers as input the user's determined collection of e-coupons, and determines an output of an optimized coupon/coupon set to suggest for redemption, it can be said that such an optimization process is limited by "parameters" of: which coupons to include as consideration for optimization (each specific coupon the user possesses electronically and the parameters of those coupons – benefit, productID, restrictions, etc.,), the expiration of the coupons (it would have been obvious to one of ordinary skill at the time of the invention to have ignored expired coupons) and the total

number of coupons used (i.e. to consider the total quantity of coupons possessed by the user).

Claims 34, 60, 64 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski in view of Beach et al (US200210107738).

Regarding claims 34, 60, 64, Beach et al also teaches user collection of e-coupons which are redeemed at the POS [para. 131. Beach et al teaches that coupons can be recommended to the user based on his user profile [para. 35 (middle of page)]. It would have been obvious for one of ordinary skill in the art at the time of the invention to have suggested coupons for the user based on his profile so that the user can be conveniently targeted with offers that are likely to be accepted and purchased. These recommendations are taken to be optimal or near optimal recommendations.

Claims 1-2, 4-5, 7, 15-16, 18-19, 22-27, 30-31, 33, 35, 49-54, 57, 59, 61, 62, 66, 67, 69, 70 are alternatively rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski (US6932270) in view of Marmon (1184446528).

Regarding claims 1-2, 15-16, 27, 30, 54, 57, Fajkowski teaches systems and methods for storing electronic coupons, associating them with customers, presenting them at a retail POS and redeeming them. A user is provided with a card which provides a ,userID [4:6-81. The card is used to associate selected coupons from a plurality of available coupons from 'different sources (by scanning paper coupons, by

selecting coupons at a kiosk or by downloading coupons from the Internet) with the user's account in a database [3:63-65, 6:1-5, 6:22-251. When the card is presented at the POS along with products to be purchased, the POS system determines what coupons of the user's collection of selected coupons are redeemable given the user's potential purchases; the system displays these coupons on the display [I6:18-31, 17:31-33,4:25-351. Fajkowski teaches that the coupon eligibility parameters (product name, required size, quantity or combination of items required, expiration) may be stored on the card in order to determine applicable coupons at the POS [I 0:17-261. Applicant admits that mutual exclusivity is a restrictive, eligibility coupon parameter often used [spec page 1 lines 21-22]. It would have been obvious for one of ordinary skill in the art at the time of the invention to have stored and analyzed other well known coupon restriction rules such as whether other coupons can be used in combination with a coupon. Doing so would enable the system to process and accurately display a wide variety of eligible coupons, including those with exclusivity rules. Examiner will now address the limitations associated with checking if eligible coupons also meet optimization parameters. Applicant has admitted that customers frequently have a collection of eligible coupons from which to choose, leaving the consumer with the task of determining which subset of eligible coupons will provide optimum benefit (i.e. optimum price reduction, optimum loyalty points, optimum freebies). It has been done manually, but it is admittedly difficult in certain situations [spec pg 2 lines 11-19]. Historically checkout clerks inherently were required to possess the ability to determine coupon eligibility, else fraudulent coupon

redemption would be possible. Marmon teaches that shopping can get quite complicated when pricing systems are combined with cents off coupons and retailers offer to double or triple coupons [col 1 lines 38-42]. Fajkowski provides a calculating tool for optimizing purchasing decisions affected by the complex pricing combinations that include coupons [col 1 lines 50-601. Marmon notes that the consumer is confronted with many price-affecting choices related to coupons and that he usually is seeking low prices [col 2 lines 53-57]. Understanding the choice of optimum purchase requires an understanding of coupon procedures (i.e. rules) and unit pricing techniques [col 3 lines 20-221. The calculations done by the system of Fajkowski consider the impact of the coupon and the optimum choice, i.e. lowest until price is indicated to the user [col 3 lines 51-53]. Fajkowski's system accomplishes the automated eligibility determination and it would have been obvious to one of ordinary skill at the time of the invention to have also provided automated coupon optimization assistance (i.e. indicating the best coupon(s) to use in order to best reduce the price given the subset of eligible coupons possessed) to customers faced with navigating the coupon rules and options imposed by the retailer. This would enable the customer to most benefit from his coupons, deliver the lowest prices as is generally desired as well as encourage purchasing of retailer products. Regarding the saved coupons, the choosing among them and recommending based on the saved coupons, Fajkowski teaches that the user may save shopping lists with specified coupons for the products on the list to be used on future shopping trips [13:14-41]. Fajkowski also teaches the idea of issuing a rain check for a coupon item

the user wishes to purchase, but where the item is currently unavailable. The system will save such a list of rain-checked product(s) for later use. In either case, future use of the saved lists are taken to meet the broad "comparing" by a user. Further, the art describes the capability to save any number of coupons which enables saving combinations of coupons. It would have been obvious to one of ordinary skill at the time of the invention to have recalled saved coupons or a combination of saved coupons for later consideration (i.e. for future comparison). It would have been obvious to one of ordinary skill at the time of the invention for the system's coupon(s) recommendations to have included coupons that had been "saved". Further still, Fajkowski's also teaches that the system can recommend an additional purchase when a consumer possesses a valuable coupon, but has not fully met the purchasing qualifications (perhaps the user chose the wrong size product) [19:38-43]. It would have been obvious to one of ordinary skill at the time of the invention to have recommended the use of saved coupon where the user is close to an optimized coupon eligibility, but needs to make slight changes to his products for purchase. It would have been obvious to one of ordinary skill at the time of the invention to have recommended this additional coupon even if this is a coupon that had been previously saved.

Regarding claims 4, 18, Fajkowski teaches that coupons could be displayed which are not fully eligible along with the reasoning for their near-eligible status, such as the product is the wrong size [19:38-431. It would have been obvious for one of ordinary skill in the art at the time of the invention to have displayed a similar

message when a user has not presented the proper quantity or combination of products [these parameters are disclosed at 10:22-231 when possessing a coupon with such size or quantity restrictions. Both of these examples are taken to provide a teaching of recommending the missing product to the customer for more discounts.

Regarding claims 5, 19, 35, 61, 66, Fajkowski teaches that the coupons may at least be stored at a third party site (Internet) or kiosk (retailer site). The system is taken to reside at the retailer site.

Regarding claims 7, the network is described as the Internet.

Regarding claims 22, 23, 49, 50, 62, Fajkowski's determination of coupons specific to products presented is taken to provide a step of computing a set of coupons dependant upon a user's set of coupons as well as upon the order information. The step of determining if the computed coupon set complies with redeeming conditions is met by inspecting the other various criteria such as expiration, etc.

Regarding claim 24, 51, if in Fajkowski a customer provides a coupon that does not comply with redemption criteria, the customer is free to return another time with a another set of coupons.

Regarding claims 25, 26, 52, 53, Fajkowski teaches that while compliant coupons are shown at the POS, the customer may wish to investigate why some coupons were non-complaint [19:21-251. The POS may be used to display all coupons that were non-compliant [19:44-531; it would have been obvious for one of ordinary skill in the art at the time of the invention to have displayed non-compliant

coupons for any non-compliant criteria including the suggested mutually exclusive criteria above.

Regarding claim 31, Fajkowski teaches that a user may be provided with reports of coupon usage and savings [13:5-7, 17:48-631. User acceptance for redemption of the displayed eligible coupons provides a viewing of reports of coupon usage.

Regarding claim 33, 59, the system is taken to inherently use an AND condition for a coupon having plural redemption conditions (expiration date and product size, for example).

Regarding claims 67, 69, 70, when the proposed-as-obvious system/method considers as input the user's determined collection of e-coupons, and determines an output of an optimized coupon/coupon set to suggest for redemption, it can be said that such an optimization process is limited by "parameters" of: which coupons to include as consideration for optimization (each specific coupon the user possesses electronically and the parameters of those coupons – benefit, productID, restrictions, etc.,), the expiration of the coupons (it would have been obvious to one of ordinary skill at the time of the invention to have ignored expired coupons) and the total number of coupons used (i.e. to consider the total quantity of coupons possessed by the user).

Claims 34, 60, 64 are alternatively rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski in view of Marmon and Beach et al (US200210107738).

Regarding claims 34, 60, 64, Beach et al also teaches user collection of e-coupons which are redeemed at the POS [para. 131. Beach et al teaches that coupons can be recommended to the user based on his user profile [para. 35 (middle of page)]. It would have been obvious for one of ordinary skill in the art at the time of the invention to have suggested coupons for the user based on his profile so that the user can be conveniently targeted with offers that are likely to be accepted and purchased. These recommendations are taken to be optimal or near optimal recommendations.

Claims 1-2, 4-5, 7, 15-16, 18-19, 22-27, 30-31, 33, 35, 49-54, 57, 59, 61, 62, 66, 67, 69, 70 are alternatively rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski (US6932270) in view of Wilkman (US20020013728).

Wilkman 2002/0013728 enjoys benefit of earlier provisional 60/220637 filed 7/25/2000. Examiner will be referring throughout this office action to the page and line number of 60/220637 as evidence of previous support even though the rejection is being made using the 2002/0013728 reference.

Regarding claims 1-2, 15-16, 27, 30, 54, 57, Fajkowski teaches systems and methods for storing electronic coupons, associating them with customers, presenting them at a retail POS and redeeming them. A user is provided with a card which

provides a userID [4:6-81. The card is used to associate selected coupons from a plurality of available coupons from different sources (by scanning paper coupons, by selecting coupons at a kiosk or by downloading coupons from the Internet) with the user's account in a database [3:63-65, 6:l-5,6:22-251. When the card is presented at the POS along with scanned products to be purchased (i.e. before the purchase is completed by way of accepting payment - and therefore, “before purchase”), the POS system determines what coupons of the user's collection of selected coupons are redeemable given the user's scanned products; the system displays these coupons on the display [16:18-31, 17:31-33,4:25-351. Fajkowski teaches that the coupon eligibility parameters (product name, required size, quantity or combination of items required, expiration) may be stored on the card in order to determine applicable coupons at the POS [10:17-261. Applicant admits that mutual exclusivity is a restrictive, eligibility coupon parameter often used [spec page 1 lines 21-22] and that certain coupons also may provide benefits of monetary discount, loyalty points and freebies [spec pg 2 lines 14-19]. It would have been obvious for one of ordinary skill in the art at the time of the invention to have stored and analyzed other well known coupon restriction rules such as whether other coupons can be used in combination with a coupon. Doing so would enable the system to process and accurately display a wide variety of eligible coupons, including those with exclusivity rules. Examiner will now address the limitations associated with checking if eligible coupons also meet optimization parameters. Applicant has admitted that customers frequently have a collection of eligible coupons from which to choose, leaving the

consumer with the task of determining which subset of eligible coupons will provide optimum benefit (i.e. optimum price reduction, optimum loyalty points, optimum freebies). It has been done manually, but it is admittedly difficult ('non trivial' in certain situations [spec pg 2 lines 11 -19]. Historically checkout clerks inherently were required to possess the ability to determine coupon eligibility, else fraudulent coupon redemption would be possible. One of ordinary skill would consider it to be a matter of good customer service for a checkout clerk to assist a customer regarding which coupons could be used (i.e. eligibility) as well which subset of coupons would most benefit the customer for example helping a customer who asks "which coupon(s) would' save the most money?" and/or "which of these coupons should I use quickly before they expire" Fajkowski's system is also not without automation and is quite intelligent in that it can recommend an additional purchase when a consumer possesses a valuable coupon, but has not fully met the purchasing qualifications (perhaps the user chose the wrong size product) [19:38-43]. Wilkman also recognizes the variety of incentive offers available to purchasing consumers and he teaches the use of a computer-based optimization routine that takes the legwork out of manually analyzing the variety of eligible combinations and benefits (price, coupons, promotions, loyalty, etc.) in order to provide the best benefit for the consumer [abstract]. It would have been obvious to one of ordinary skill at the time of the invention to have provided systems and methods that provide assistance to customers faced with navigating the recognized (albeit in some cases difficult or confusing) coupon rules and options imposed by the incentive providers.

Rather than take the time and energy to manually track all of the provided options, restrictions and benefits, it would have been obvious to one of ordinary skill at the time of the invention to have provided a computer system to optimize the 'non trivial' combination of coupon restrictions and benefits, so that the consumer need not be burdened with the research (although it is well accepted that in the past the research has been capably done manually). Regarding the saved coupons, the choosing among them and recommending based on the saved coupons, Fajkowski teaches that the user may save shopping lists with specified coupons for the products on the list to be used on future shopping trips [13:14-41]. Fajkowski also teaches the idea of issuing a rain check for a coupon item the user wishes to purchase, but where the item is currently unavailable. The system will save such a list of rain-checked product(s) for later use. In either case, future use of the saved lists are taken to meet the broad "comparing" by a user. Further, the art describes the capability to save any number of coupons which enables saving combinations of coupons. It would have been obvious to one of ordinary skill at the time of the invention to have recalled saved coupons or a combination of saved coupons for later consideration (i.e. for future comparison). It would have been obvious to one of ordinary skill at the time of the invention for the system's coupon(s) recommendations to have included coupons that had been "saved". Further still, Fajkowski's also teaches that the system can recommend an additional purchase when a consumer possesses a valuable coupon, but has not fully met the purchasing qualifications (perhaps the user chose the wrong size product) [19:38-43]. It would have been obvious to one of

ordinary skill at the time of the invention to have recommended the use of saved coupon where the user is close to an optimized coupon eligibility, but needs to make slight changes to his products for purchase. It would have been obvious to one of ordinary skill at the time of the invention to have recommended this additional coupon even if this is a coupon that had been previously saved.

Regarding claims 4, 18, Fajkowski teaches that coupons could be displayed which are not fully eligible along with the reasoning for their near-eligible status, such as the product is the wrong size [I9:38-431. It would have been obvious for one of ordinary skill in the art at the time of the invention to have displayed a similar message when a user has not presented the proper quantity or combination of products [these parameters are disclosed at 10:22-231 when possessing a coupon with such size or quantity restrictions. Both of these examples are taken to provide a teaching of recommending the missing product to the customer for more discounts.

Regarding claims 5, 19, 35, 61, 66, Fajkowski teaches that the coupons may at least be stored at a third party site (Internet) or kiosk (retailer site). The system is taken to reside at the retailer site.

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redeeming conditions is met by inspecting the other various criteria such as expiration, etc.

Regarding claim 24, 51, if in Fajkowski a customer provides a coupon that does not comply with redemption criteria, the customer is free to return another time with a another set of coupons.

Regarding claims 25, 26, 52, 53, Fajkowski teaches that while compliant coupons are shown at the POS, the customer may wish to investigate why some coupons were non-complaint [I9:21-251. The POS may be used to display all coupons that were non-compliant [19:44-531; it would have been obvious for one of ordinary skill in the art at the time of the invention to have displayed non-compliant coupons for any non-compliant criteria including the suggested mutually exclusive criteria above.

Regarding claim 31, Fajkowski teaches that a user may be provided with reports of coupon usage and savings [I 3:5-7, 17:48-631. User acceptance for redemption of the displayed eligible coupons provides a viewing of reports of coupon usage.

Regarding claim 33, 59, the system is taken to inherently use an AND condition for a coupon having plural redemption conditions (expiration date and product size, for example).

Regarding claims 67, 69, 70, when the proposed-as-obvious system/method considers as input the user's determined collection of e-coupons, and determines an output of an optimized coupon/coupon set to suggest for redemption, it can be said

that such an optimization process is limited by "parameters" of: which coupons to include as consideration for optimization (each specific coupon the user possesses electronically and the parameters of those coupons – benefit, productID, restrictions, etc.,), the expiration of the coupons (it would have been obvious to one of ordinary skill at the time of the invention to have ignored expired coupons) and the total number of coupons used (i.e. to consider the total quantity of coupons possessed by the user).

Claims 34, 60, 64 are alternatively rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski and Wilkman as above and further in view of Beach et al (US200210107738).

Regarding claims 34, 60, 64, Beach et al also teaches user collection of e-coupons which are redeemed at the POS [para. 131. Beach et al teaches that coupons can be recommended to the user based on his user profile [para. 35 (middle of page)]. It would have been obvious for one of ordinary skill in the art at the time of the invention to have suggested coupons for the user based on his profile so that the user can be conveniently targeted with offers that are likely to be accepted and purchased. These recommendations are taken to be optimal or near optimal recommendations.

Claims 1-2, 4-5, 7, 15-16, 18-19, 22-27, 30-31, 33, 35, 49-54, 57, 59, 61, 62, 66, 67, 69, 70 are alternatively rejected under 35 U.S.C. 103(a) as being

unpatentable over Fajkowski and Wilkman as above and further in view of Marmon (1184446528).

Regarding claims 1-2, 15-16, 27, 30, 54, 57, Marmon teaches that shopping can get quite complicated when pricing systems are combined with cents off coupons and retailers offer to double or triple coupons [col 1 lines 38-42]. Fajkowski provides a calculating tool for optimizing purchasing decisions affected by the complex pricing combinations that include coupons [col 1 lines 50-601. Marmon notes that the consumer is confronted with many price-affecting choices related to coupons and that he usually is seeking low prices [col 2 lines 53-57]. Understanding the choice of optimum purchase requires an understanding of coupon procedures (i.e. rules) and unit pricing techniques [col 3 lines 20-221. The calculations done by the system of Fajkowski consider the impact of the coupon and the optimum choice, i.e. lowest until price is indicated to the user [col 3 lines 51-53]. Fajkowski's system accomplishes the automated eligibility determination and it would have been obvious to one of ordinary skill at the time of the invention to have also provided automated coupon optimization assistance (i.e. indicating the best coupon(s) to use in order to best reduce the price given the subset of eligible coupons possessed) to customers faced with navigating the coupon rules and options imposed by the retailer. This would .enable the customer to most benefit from his coupons, deliver the lowest prices as is generally desired as well as encourage purchasing of retailer products.

Regarding claims 4, 18, Fajkowski teaches that coupons could be displayed which are not fully eligible along with the reasoning for their near-eligible status,

such as the product is the wrong size [19:38-431. It would have been obvious for one of ordinary skill in the art at the time of the invention to have displayed a similar message when a user has not presented the proper quantity or combination of products [these parameters are disclosed at 10:22-231 when possessing a coupon with such size or quantity restrictions. Both of these examples are taken to provide a teaching of recommending the missing product to the customer for more discounts.

Regarding claims 5, 19, 35, 61, 66, Fajkowski teaches that the coupons may at least be stored at a third party site (Internet) or kiosk (retailer site). The system is taken to reside at the retailer site.

Regarding claims 7, the network is described as the Internet.

Regarding claims 22, 23, 49, 50, 62, Fajkowski's determination of coupons specific to products presented is taken to provide a step of computing a set of coupons dependant upon a user's set of coupons as well as upon the order information. . The step of determining if the computed coupon set complies with redeeming conditions is met by inspecting the other various criteria such as expiration, etc.

Regarding claim 24, 51, if in Fajkowski a customer provides a coupon that does not comply with redemption criteria, the customer is free to return another time with a another set of coupons.

Regarding claims 25, 26, 52, 53, Fajkowski teaches that while compliant coupons are shown at the POS, the customer may wish to investigate why some coupons were non-complaint [19:21-251. The POS may be used to display all

coupons that were non-compliant [19:44-531; it would have been obvious for one of ordinary skill in the art at the time of the invention to have displayed non-compliant coupons for any non-compliant criteria including the suggested mutually exclusive criteria above.

Regarding claim 31, Fajkowski teaches that a user may be provided with reports of coupon usage and savings [13:5-7, 17:48-631. User acceptance for redemption of the displayed eligible coupons provides a viewing of reports of coupon usage.

Regarding claim 33, 59, the system is taken to inherently use an AND condition for a coupon having plural redemption conditions (expiration date and product size, for example).

Regarding claims 67, 69, 70, when the proposed-as-obvious system/method considers as input the user's determined collection of e-coupons, and determines an output of an optimized coupon/coupon set to suggest for redemption, it can be said that such an optimization process is limited by "parameters" of: which coupons to include as consideration for optimization (each specific coupon the user possesses electronically and the parameters of those coupons – benefit, productID, restrictions, etc.,), the expiration of the coupons (it would have been obvious to one of ordinary skill at the time of the invention to have ignored expired coupons) and the total number of coupons used (i.e. to consider the total quantity of coupons possessed by the user).

Claims 34, 60, 64 are alternatively rejected under 35 U.S.C. 103(a) as being unpatentable over Fajkowski, Wilkman and Marmon as above and further in view of Beach et al (US200210107738).

Beach et al also teaches user collection of e-coupons which are redeemed at the POS [para. 131. Beach et al teaches that coupons can be recommended to the user based on his user profile [para. 35 (middle of page)]. It would have been obvious for one of ordinary skill in the art at the time of the invention to have suggested coupons for the user based on his profile so that the user can be conveniently targeted with offers that are likely to be accepted and purchased. These recommendations are taken to be optimal or near optimal recommendations.

(10) Response to Argument

Applicant argues that because Fajkowski is directed to a coupon card, scanner and associated computer processing elements and that applicant's invention is directed to recommending coupons, that it would not be obvious to modify Fajkowski to arrive at the claimed invention. Examiner disagrees. Both are concerned with automated and electronic coupon redemption systems. The claims are obvious for the reasons provided above.

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413,

208 USPQ 871 (CCPA 1981); *In re Merck & Co.,* 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Applicant argues that Fajkowski only checks coupons after purchase. This is entirely incorrect. Like applicant, Fajkowski scans products to determine *products under consideration for purchase*, so that the scanned products (not yet purchased) can be compared to the coupons offered for redemption during the purchase. The coupons are certainly not redeemed by the cash register after the purchase is finalized, but before – so that the consumer can reduce *his purchase price*. Fajkowski uses the term purchase data and items purchased to refer to items scanned, but not paid for (i.e. not purchased; i.e. "before purchase"). Applicant points to the top of column 17 of Fajkowski and fig 15a, yet if applicant would consider the bottom of Column 17 and companion figure 15b, he would see that Fajkowski scans products, considers coupons for redemption, then finalizes the current purchase.

Applicant argues that because Fajkowski appears to teach certain coupons applicable to the same product but which may not be redeemed together, that Fajkowski teaches away from coupons that can be used together. This is untrue. At best Fajkowski is silent on coupons that may be used together (examiner believes this to be called "stacking coupons"). Applicant admits these types of combinable coupons are well known and as stated in the rejection, it would have been obvious to one of ordinary skill at the time of the invention to have enabled the system of Fajkowski to properly treat such coupons. Applicant's only argument why this is a

teaching away is that Fajkowski is concerned with fraudulent redemption. Of course, Fajkowski prevents stacking coupons when the coupon rules prohibit. However one of ordinary skill would actually find it entirely consistent with Fajkowski's intention of "following the coupons' redemption rules" when stackable coupons are present.

Applicant argues that the claimed system is a very complicated decision-making system and which "might not be able to be performed manually" and performs steps "that could not be performed manually". Examiner will ignore the "might not" argument as it seems to agree with examiner because it also inherently asserts that indeed the decision "might be" capable of being performed manually. When applicant argues the steps "could not be performed" manually, there is no reasoning given other that it can be difficult ("or non-trivial" SPEC pg 1 line 21). Applicant's claims are not limited in any way to any particular difficult scenarios or decision making – they include the claim scope where the potential combinations of coupons and their resulting benefits are actually rather straightforward. Nonetheless, applicant's system is taken to be programmed essentially by creating a systemic approach to evaluating the coupon redemption combinations. These evaluations can be done manually – and in fact have been done for years by both consumers and POS clerks or POS systems responsible for preventing fraudulent redemption as recognized by applicant. Prior to applicant's invention, the coupon combination possibilities (collection of coupon rules) were already 'difficult' at times. And at these times, either the consumer or the clerk would **have** to understand the "difficult" rules in order to properly redeem coupons. Applicant is merely automating

what has been required previously. Applicant has not created a more challenging coupon redemption situation requiring automation to resolve redemption rules, he merely is now choosing to turn to computer automation to resolve old situations - situations that would have been manually resolved without the invention. Further, consider a customer with poor eyesight or poor reading skills or less-than-common math skills. Any helpful merchant or sales clerk would find it obvious help them "navigate" the applicable coupon rules so they can benefit most (discount, loyalty, freebies) – that is simply good customer service.

Applicant argues that the art does not teach a user defining optimization parameters and display of eligible coupons satisfying the criteria. The rejection above addresses the concept that one of ordinary skill would find it obvious that rather than choose the best coupons manually (as admitted has happened in the past), to automate the recognized difficult, and/or time consuming tasks of choosing the best coupon for that user's desires. One of ordinary skill would see that a computer programmed with the coupon rules/restrictions would be a predictably faster, more convenient, and more accurate way to navigate the same steps historically done manually. Further, *KSR* forecloses the argument that a specific teaching is required for a finding of obviousness (citing *KSR*, 127 S.Ct. at 1741, 82 USPQ2d at 1396). See Board decision *Ex parte Smith*, --USPQ2d--, slip op. at 20, (Bd. Pat. App. & Interf. June 25, 2007).

It was well known at the time of the invention that merely providing an automatic means to replace a manual activity which accomplishes the same result is

not sufficient to distinguish over the prior art, *In re Venner,* 262 F.2d 91, 95, 120 USPQ 193, 194 (CCPA 1958). In the same manner as outlined in rationale F of KSR, it would have been obvious to one of ordinary skill at the time of the invention to have updated the known invention of Fajkowski with modern automated improvements in order to gain the commonly understood benefits of such adaptation. All this would be accomplished with no unpredictable results.

As stated in ***Leapfrog,*** "applying modern electronics to older mechanical devices has been commonplace in recent years." **Leapfrog Enterprises, Inc. v. Fisher-Price, 485 F.3d 1157, 82 USPQ2d 1687 (Fed. Cir. 2007).**

For example, simply automating the steps of coupon selection gives just what one would expect from the otherwise manual steps. In other words, there is no enhancement found in the claimed steps/system other than the known advantage of increased speed, increased accuracy, increased convenience and reduction in human resource(s) to perform/provide the claimed steps/functionality. The end result is the same as compared to the manual method.

Applicant argues that that Marmon teaches a calculation whether it is better (i.e. optimal) whether to use a coupon or not. Applicant then states that therefore Marmon is "unrelated" to the claimed system. Examiner disagrees and it is rather clear that Marmon is actually *closely related* with coupon decision making and suggesting coupon usage that would be optimum for the user.

Applicant argues that the examiner has not provided the requisite evidence of the level of one of ordinary skill in the art to [provide for applicant's claim language]. If the only facts of record pertaining to the level of skill in the art are found within the prior art of record, the court has held that an invention may be held to have been obvious without a specific

finding of a particular level of skill where the prior art itself reflects an appropriate level. Chore-Time Equipment, Inc. v. Cumberland Corp., 713 F.2d 774, 218 USPQ 673 (Fed. Cir. 1983). See also Okajima v. Bourdeau, 261 F.3d 1350, 1355, 59 USPQ2d 1795, 1797 (Fed. Cir. 2001).

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

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